

FINDING OF EMERGENCY

There is a need for emergency action on this proposed regulatory change for the immediate preservation of the public peace, health and safety, or general welfare. The proposed regulatory change is needed to prevent fraud and abuse, as defined in the Welfare and Institutions Code, Section 14043.1(a), of specialty mental health services of the Medi-Cal program. The Department of Mental Health (DMH) has determined that some Medi-Cal specialty mental health may not have been provided in a manner fully consistent with existing regulatory requirements and with sound medical and fiscal practices. The proposed regulatory change is deemed an emergency following circumstances:

- The Department of Health Services (DHS) is the single state agency under federal Medicaid law with the responsibility and authority for administering the Medi-Cal program, including the supervision and oversight of other entities providing Medi-Cal services. Federal law at 42 United States Code (USC) 1396a(a)(11) requires that a State Medicaid plan must "provide for entering into cooperative arrangements with the State agencies responsible for administering or supervising the administration of health services . . . **looking toward maximum utilization of such services in the provision of medical assistance under the plan.**" This federal law conveys authority for the interagency agreement between DHS, the single state Medicaid agency, and DMH whereby **DMH agrees to provide administration and oversight of mental health plan contracts and the provision of medically necessary specialty mental health services to Medi-Cal beneficiaries in accordance with California's state Medicaid plan and approved federal waivers.** As set forth in the interagency agreement between DHS and DMH and described in California's Social Security Act Section 1915(b) Medi-Cal managed mental health care waiver programs approved by the federal Centers for Medicare and Medicaid Services, DMH is responsible for the development and implementation of the Medi-Cal managed mental health care program, subject to DHS review, approval and administrative discretion, and to the extent authorized by and consistent with federal and state laws and regulations (42 USC 1396a(a)(5), (11); 42 Code of Federal Regulations 431.10; and Welfare and Institutions Code [WIC] 5775 et seq. and 14680 et seq).
- There is a **limited resources** available to provide services to the eligible population. In order to ensure the critical services are provided to the appropriate clients, these regulations must be adopted on an emergency basis.